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SUBJECT: GON PROMISES FUEL PRICE REDUCTION AND LABOR
SUSPENDS STRIKE

1. (U) On November 15, the GON announced it would reduce the price of fuel to N49 per liter. Responding to the promised price reduction, the Labor and Civil Society Coalition (LASCO) suspended the strike planned to begin November 16. Nigeria Labour Congress (NLC) President Adams Oshiomhole told journalists that the decision was promoted by the price reduction as well as by last week's court order restraining the NLC from embarking on the strike. Oshiomhole said the decision to suspend the strike is subject to change, however, if the price reduction is not implemented within the next week.

2. (U) Denja Yakub, NLC assistant secretary, told Polspec that LASCO suspended the strike to ensure that the coalition complied with the court order. The court has not yet ruled on the GON appeal contesting the NLC's right to strike. Both parties were ordered to return to court on November 17 to argue their cases. The court order issued last week restrained the NLC from striking until a ruling was made in the appeal case.

3. (U) Although the strike was called off, many Lagosians decided to remain home today. Vehicular traffic was much lighter than normal and many workers did not report to duty. The suspension of the strike has caused the local business community to give a collective sigh of relief. Two attorneys who represent major banks told the Consul General that depositors at their banks were making massive withdrawals in contemplation of the threatened indefinite strike. Firms in other sectors were also bracing for loss or dislocation of business. We expect Lagos to return to normal tomorrow.

Browne